

**DOWNTOWN INDUSTRIAL DISTRICT
BUSINESS IMPROVEMENT DISTRICT
FINANCE COMMITTEE MEETING**

**November 01, 2013
MINUTES**

COMMITTEE MEMBERS

Present: Howard Klein, Matt Klein, Larry Rauch, Mark Shinbane

Absent: Ernie Doizaki

STAFF: Estela Lopez, Jessica Whaley

CONSULTANTS: Ken Coelho

GUESTS: None

1. CALL TO ORDER

Rauch called the meeting to order with a quorum at 9:06am.

2. PROPOSED 2014 DOWNTOWN INDUSTRIAL DISTRICT BID BUDGET

Coelho reviewed year-to-date financials for DID, reporting that there will be an estimated \$190,000 cash in the bank at year's end and \$167,000 in prior BID funds.

Coelho reported that there will be \$2,006,367 in assessment revenue in FY 2014, with additional \$100,000 in carry-over funds.

Rauch directed staff to review the amount the BID will be obligated to pay in City Recovery Costs. He observed that the proposed budget is higher than \$2m, which may be the threshold for City recovery costs being lowered to 1% from 2%.

Coelho outlined each budget category and the respective percentage of the budget: Security \$990,165 (47%), maintenance

\$520,916 (25%), ED&C \$188,911 (9%) and Administration \$216,802 (10%). He underscored that the combined total for our clean and safe programs is 72% of the budget. Coelho reviewed the budget category by category.

Lopez requested that the Board consider three additional expenditures for inclusion in either the balance of the 2013 budget or hold for 2014:

1. Replacement of domes on the Skid Row closed-circuit cameras donated to the LAPD in 2006 (\$2,798.37). The City has upgraded the cameras and placed them back in operation after having been awarded a \$20,000 federal grant. The grant was for upgrades to the wiring and software, not the hardware. The Committee unanimously recommended in favor of this expenditure from 2013 funds.

2. Trimming of 17 trees with branches blocking cameras' line-of-sight (\$4375.00). Lopez suggested that the per-tree cost would be significantly lower if the BID contracted with the tree trimming company to do a larger number of trees. DID is scheduled to trim approximately 156 trees in the first quarter of 2014. The committee unanimously recommended in favor of engaging the contractor to trim the 156 trees as soon as possible, using 2013 funds. This would include the 17 trees blocking the camera views.

3. CA BID Alliance's (new group comprised of BIDs statewide) effort to conduct legislative advocacy to amend Proposition 218 to clarify the general vs. special benefit language as it applies to business improvement districts. Each BID in California is being asked to contribute to this effort, based on their assessment revenue budget. DID's contribution would be \$ 2850.00. The Committee unanimously approved this expenditure using prior-BID funds.

The Committee then unanimously approved the FY2014 Budget as presented. The Committee's report and its recommendations

on the three additional funding requests will be presented to the full DID Board next week for approval.

X. ADJOURNMENT- 10:15AM